

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

SECURITIES AND EXCHANGE COMMISSION,)	CIVIL ACTION NO. 05-10074-MEL
)	
Plaintiff,)	
)	
v.)	CIVIL ACTION NO. 05-10074-MEL
)	
PATRICIA B. ROCKLAGE, WILLIAM M. BEAVER AND DAVID G. JONES,)	
)	
Defendants.)	CIVIL ACTION NO. 05-10074-MEL
)	

**PLAINTIFF SECURITIES AND EXCHANGE COMMISSION'S MOTION TO
DISBURSE FUNDS TO PAY TAX OBLIGATIONS**

Plaintiff Securities and Exchange Commission's ("Commission") respectfully requests that the Court enter an Order directing the Clerk of the Court to disburse funds on deposit with the registry of the Court to pay certain tax obligations of the Distribution Fund in this matter.

On August 29, 2007, the Court entered Final Judgment as to Defendant Patricia B. Rocklage ("Rocklage") pursuant to Rule 54(b) of the Federal Rules of Civil Procedure. Pursuant to the Final Judgment, on or about September 14, 2007, Defendant Rocklage paid a total amount of \$350,313 in disgorgement, prejudgment interest, and penalties to the Clerk of this Court.

On August 30, 2007, the Court entered Final Judgment as to Defendant William M. Beaver ("Beaver") pursuant to Rule 54(b) of the Federal Rules of Civil Procedure. Pursuant to the Final Judgment, on or about September 14, 2007, Defendant Beaver paid a total amount of \$250,313 in disgorgement, prejudgment interest, and penalties to the Clerk of this Court.

On August 30, 2007, the Court entered Final Judgment as to Defendant David G. Jones (“Jones”) pursuant to Rule 54(b) of the Federal Rules of Civil Procedure. Pursuant to the Final Judgment, on or about September 14, 2007, Defendant Jones paid a total amount of \$183,313 in disgorgement, prejudgment interest, and penalties to the Clerk of this Court.

The payments referred to above comprise the “Distribution Fund” in this matter. The Distribution Fund has been deposited in an interest-bearing account, account number 1:05-cv-10074, under the case name designation “SEC v. Patricia B. Rockalge et al.” The Distribution Fund constitutes a Qualified Settlement Fund (“QSF”) under section 468B(g) of the Internal Revenue Code (“IRC”), 26 U.S.C. § 468B(g), and related regulations, 26 C.F.R. §§ 1.468B-1 through 1.468B-5.

By an Order dated November 7, 2007, the Court appointed Damasco & Associates as Tax Administrator to fulfill the tax obligations of the Distribution Fund. Pursuant to that Order, the Tax Administrator is required to pay taxes in a manner consistent with treatment of the Distribution Fund as a QSF, and is to be compensated for the tax services provided.

For the first calendar quarter of 2008, the Tax Administrator has determined that the Distribution Fund should make a payment in the amount of \$1,000 for its quarterly income tax payment due April 15, 2008. See Declaration of Tax Administrator Jude P. Damasco in Support of Request to Make Tax Payment dated April 1, 2008, submitted herewith. The Declaration has been reviewed by the undersigned Commission counsel.

Wherefore, for the foregoing reasons, the Commission respectfully requests that this Court enter the attached proposed Order and grant such other relief as it deems just and proper.

Respectfully submitted,

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

By its attorneys,

/s/ Daniel P. Barry

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Dated: April 2, 2008

CERTIFICATE OF SERVICE

I hereby certify that as of April 2, 2008, this action has been resolved as to all other parties and thus no service has been made on them. The foregoing document relates to the payment of taxes and/or fees connected to the funds received by the Clerk of the Court as a result of judgments in this matter.

/s/ Daniel P. Barry

Daniel P. Barry
Senior Counsel
Securities and Exchange Commission
(617) 573-8908

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DISTRICT OF MASSACHUSETTS

SECURITIES AND EXCHANGE COMMISSION,)
Plaintiff,)
v.)
PATRICIA B. ROCKLAGE, WILLIAM M.)
BEAVER AND DAVID G. JONES,)
Defendants.)
CIVIL ACTION
NO. 05-10074-MEL

[PROPOSED] ORDER TO DISBURSE FUNDS TO PAY TAX OBLIGATION

Having reviewed Plaintiff Securities and Exchange Commission’s (“Commission”) Motion to Disburse Funds to Pay Tax Obligations and the supporting Declaration of Jude P. Damasco (“Declaration”), and finding that there is good cause for the motion,

IT IS HEREBY ORDERED that:

1. The Clerk of the Court shall issue a check on Court Registry Account Number 05CV10074, under the case name designation "SEC v. Patricia B. Rocklage et al., Civil Action No. 05-CV-10074," in the amount of \$1,000, payable to "Damasco & Associates, Trust Account," for the payment of tax obligations, as provided in the Declaration. The check shall contain the notation "SEC v. Patricia B. Rocklage et al. Distribution Fund, Civil Action No. 05CV10074, Federal Tax Identification Number 26-1409969, Quarterly Tax Estimate for First Quarter 2008."
2. The Clerk shall send the check by first class mail to:

Damasco & Associates, LLP
700 Monte Vista Lane
Half Moon Bay, CA 94019
Phone: (650) 726-4100

Dated: _____

UNITED STATES DISTRICT JUDGE

**DECLARATION OF JUDE P. DAMASCO IN SUPPORT OF
REQUEST TO MAKE TAX PAYMENT**

I, Jude P. Damasco, am over eighteen years of age and state the following facts which I know of my own personal knowledge.

1. I am the managing partner of Damasco & Associates LLP (“Damasco”), located at 700 Monte Vista Lane, Half Moon Bay, CA 94019. I am a certified public accountant.

2. Damasco was appointed as Tax Administrator for the SEC v Rocklage Distribution Fund in the Order to Appoint Tax Administrator, Civil Action No. 05-CV-10074-MEL filed on November 8, 2007.

3. As Tax Administrator, Damasco has determined that the SEC v Rocklage Distribution Fund owes \$1,000 in estimated tax liability for the first quarter of 2008. This tax payment is due April 15, 2008.

4. A check in the amount of \$1,000 should be made payable to "Damasco & Associates, Trust Account" and sent to Damasco & Associates LLP, 700 Monte Vista Lane, Half Moon Bay, CA 94019. For timely payment, the check should be received in our office as soon as possible.

5. The check will be deposited into a trust account from which the tax payment will be made. Therefore, the Employer Identification Number that should be written on the check is 26-1409969 because it is for tax payment on behalf of the SEC v Rocklage Distribution Fund.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct. Executed on April 1, 2008 in Half Moon Bay, California.

Jude P. Damasco